

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
VICTORIA DIVISION

3)	CASE NO: 22-60020-CML
)	
4	INFOW, LLC,)	Victoria, Texas
)	
5	Debtor.)	Friday, April 22, 2022
)	
6)	9:00 a.m. - 10:49 a.m.
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7)	CASE NO: 22-60021-CML
)	
8	IWHEALTH, LLC,)	
)	
9	Debtor.)	
)	
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TRIAL

BEFORE THE HONORABLE CHRISTOPHER M. LOPEZ
UNITED STATES BANKRUPTCY JUDGE

14 APPEARANCES:

15	For the Debtors:	KYUNG SHIK LEE
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1 Also Present: MARC SCHWARTZ, CRO
2 RICHARD SCHMIDT

3 Court Reporter/Deputy: Kimberly Picota

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9 Proceedings recorded by electronic sound recording;
10 Transcript produced by transcription service.

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VICTORIA, TEXAS; FRIDAY, APRIL 22, 2022 9:00 AM

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(Call to Order)

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THE COURT: Good morning, everyone. This is Judge Lopez. Today is April 22nd. I'm going to call the nine a.m. case, which is essentially first-day hearings in InfoW LLC, IWL -- it should be IWHealth LLC, and Prison Planet TV LLC.

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There are a number of folks on the line, and I'm going to try to keep the line unmuted, just see how that goes. We have a feature where I can mute the entire line, and I'm going to try to avoid that. But if I end up doing it, I will give everyone plenty of notice and you will have to hit five-star if you wish to be heard.

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I'm going to just ask everyone to please put your phone on mute right now until your case is called. And I hear a lot of back noise. I'm just going to turn the feature on. So I'm asking everyone just please take a look at your phone and please keep it on mute. When it is time to speak, I will call on you and you are able to speak. Let's see how this goes.

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Let me start off by taking appearances. And why don't I start in the courtroom. Who is here on behalf of the Debtors?

25

MR. LEE: Good morning, Your Honor. Kyung Lee, K-

1 royalty interest before? Like let's just say with in the 90
2 days before the filing?

3 MR. SCHWARTZ: Well...

4 THE COURT: Go ahead. I'll tell you why I'm
5 asking. I don't want you to be confused by my question.
6 You mentioned that there was a direct pay at some point, and
7 then you stopped. Or you stepped in and said no, it's got
8 to go directly to IW health, the royalty payment. What was
9 the pre-bankruptcy arrangement before you...

10 MR. SCHWARTZ: Pre-bankruptcy, the royalty was
11 sent to Alex Jones directly, his personal bank account.

12 THE COURT: Okay, thank you.

13 MR. SCHWARTZ: And I discovered that
14 (indiscernible) that was a Monday. Because that's when I
15 went to Austin. So prior to that date, it was not receiving
16 any royalty..

17 THE COURT: Okay. And then there's one more.
18 Prison Planet TV LLC.

19 MR. SCHWARTZ: Prison Planet owns a number of
20 videos that were produced and developed by Alex Jones'
21 enterprise. I think eight, 10, 12 or something like that.
22 There's a list of them.

23 THE COURT: Aside from own them, what does it do?
24 It just owns them?

25 MR. SCHWARTZ: It's similar to...

1 THE COURT: InfoW?

2 MR. SCHWARTZ: InfoW. It just owns them.

3 THE COURT: How much cash do you think it held on
4 the petition date?

5 MR. SCHWARTZ: It held zero.

6 THE COURT: It held zero. Within the 90-day
7 period before the petition date, was it generating any
8 income?

9 MR. SCHWARTZ: The 90 days before -- so just like
10 InfoW, owned by Alex Jones a hundred percent. And half of
11 its assets were used (indiscernible) FSS. It was not
12 anything for that use.

13 THE COURT: Okay. Okay. I guess I can ask you
14 and I can ask Mr. Lee. And I think Mr. Lee has already
15 asked the question. What do you believe the purpose of
16 these Chapter 11 cases is?

17 MR. SCHWARTZ: The purpose? The purpose is to
18 arrange to pay all of the plaintiffs the amount of their --
19 let's say in a bankruptcy sense, their allowed claim in
20 full. That's the purpose.

21 THE COURT: So when the pleadings talk about
22 paying it in full, you are referring to a defined term in
23 the trust agreement that basically says whatever the court -
24 - whatever is allowed in the bankruptcy case, the amount of
25 that claim.

1 MR. SCHWARTZ: Yes.

2 THE COURT: Okay. Does that contemplate payments
3 -- does the settlement then contemplate just the Debtors or
4 will it include a global settlement including the non-
5 debtors that you've described earlier?

6 MR. SCHWARTZ: It includes the -- specially Alex
7 Jones and FSS.

8 THE COURT: Okay.

9 MR. SCHWARTZ: Because they are the source of the
10 funds to make the payment.

11 THE COURT: Okay. Mr. Schwartz, I will tell you,
12 there was a motion set for you for today. It sounds like
13 it's not going forward. I think those are all the questions
14 that I have for you. I think that is what is customary on a
15 first day I think to just ask, get a general understanding.
16 Are you aware of anything else in connection with the
17 bankruptcy case itself that you think I should know at this
18 time in terms of what may be coming?

19 Typically -- and I'm just saying this for folks
20 who are listening. It's very typical for a bankruptcy judge
21 to ask at the beginning of a case what might I expect in the
22 short-term future. I've been told by some folks they are
23 going to file a motion, and I'll take them up. And maybe
24 this is a question for Mr. Lee. What may I expect in the
25 short near-term.

CERTIFICATION

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I certify that the foregoing is a correct transcript from
the electronic sound recording of the proceedings in the
above-entitled matter.

A handwritten signature in black ink, reading "Sonya M. Ledanski Hyde". The signature is written in a cursive, flowing style. The first name "Sonya" is written in a larger, more prominent script, followed by "M. Ledanski" and "Hyde". The signature is centered horizontally within the line of text.

Sonya Ledanski Hyde

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Date: April 27, 2022